

Part IV - Representation and Instructions  
Section M - Evaluation Factors for Award

**PHASE II**

**This Phase II Section M shall be included in the resultant contract and deleted concurrent with option exercise for Detail Design**

**M.1 PROCEDURES FOR CONTRACT AWARD**

- a. Proposals shall be submitted in accordance with the instructions in Section L. Proposals will be reviewed for compliance with the solicitation requirements.
- b. A proposal may be rejected as grossly deficient if the Contracting Officer determines that the proposal does not materially comply with the requirements. A proposal may be rejected as grossly deficient and excluded from further consideration for award under the following conditions:

If the Contracting Officer determines that the proposal does not materially comply with the requirements.

If a major rewrite of any section or sections is required to permit evaluation.

Any proposal that includes “redlines”, condition(s) of offer, or any other deviation from the requirements of the solicitation will be rejected as non-compliant.

The Contracting Officer will notify any Offeror whose proposal is rejected as grossly deficient in writing within 14 days.

- c. A proposal may be rejected and excluded from further consideration for award for other reasons including, but not limited to, the following conditions.

If proposals contain a charge for failure to exercise an option.

If a proposal contains conditions discussed in the Section M.7 provision entitled Evaluation of Offers Subject to an Economic Price Adjustment Clause (HSAR 3052.216-70 (JUN 2006)).

- d. The Government may (1) reject any or all offers if such action is in the public interest, (2) accept other than the lowest offer, and (3) waive informalities and minor irregularities in offers received.
- e. The Coast Guard will not evaluate any proposal information not contained within the body of the proposal. Letters of transmittal and/or cover letters are not considered part of the body of the proposal.
- f. Offerors may not submit alternate proposals. Only one proposal from any offeror will be accepted.
- g. It is the Offeror’s responsibility to ensure that no discrepancies or inconsistencies are present in its proposal. The Government may assume that discrepancies and/or inconsistencies within an Offeror’s proposal indicate a lack of understanding of the required Phase II effort and,

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therefore, increase the degree of risk associated with the Offeror's proposal.

## **M.2 BASIS FOR AWARD**

- a. In order to be eligible for award, the Offeror's proposal must comply in all material respects with the requirements of law, regulation, and the terms and conditions set forth in the solicitation; and the Offeror must be determined responsible according to the standards set forth in FAR Subpart 9.1.
- b. The Coast Guard intends to select one contractor and exercise one option for Detail Design.
- c. The source selection (award) decision will be based on the proposal which is most advantageous to the Government in terms of the established evaluation factors. The Source Selection Authority will determine which proposal is most advantageous to the Government.
- d. Award will be made only to an Offeror who has successfully completed Phase I effort under CLIN 0001 of this Contract. Additionally, award will be made only to an Offeror whose proposal is determined to be technically acceptable.
- e. Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract. However, if the resulting contract contains a clause providing for price reduction for defective cost or pricing data, the contract price will be subject to reduction if cost or pricing data furnished is incomplete, inaccurate or not current.
- f. The Government may determine that an offer is unacceptable if the prices proposed are materially unbalanced between line items or sub-line items. An offer is materially unbalanced when it is based on prices significantly less than cost for some work and prices which are significantly overstated in relation to cost for other work, and if there is a reasonable doubt that the offer will result in the lowest overall cost to the Government, even though it may be the low evaluated offer, or if it is so unbalanced as to be tantamount to allowing an advance payment.

## **M.3 EVALUATION FACTORS**

- a. The responsible Offeror whose offer, conforming to the solicitation, will be most advantageous to the Government will be selected to continue into Phase II, Detail Design and Construction.
- b. All evaluation factors other than price, when combined, are approximately equal to Price.
- c. The evaluation factors are listed in descending order of importance:
  - Factor 1 - Price (Section M.6)
  - Factor 2 - **Contract** Design (Section M.4)
  - Factor 3 - Detail Design & Construction Approach (Section M.4)
  - Factor 4 - Production Capability (Section M.5)
  - Factor 5 - Organizational Management (Section M.5)
  - Factor 6 – Cost Management (Section M.5)

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#### M.4 TECHNICAL EVALUATION

a. The Technical evaluation will identify strengths, weaknesses, significant weaknesses and deficiencies. Each of the Technical Evaluation Factors will be assigned a rating and an assessment of the level of associated risk. The Technical Evaluation Factors are as follows:

**Factor 2 – Contract Design:** The soundness of the Offeror’s Contract Design will be evaluated to determine the extent of its maturity, i.e. increased fidelity, readiness for Detail Design, the ability to be classed by ABS, and balance, i.e. internally consistent, accurate and feasible, and the extent to which it meets or exceeds OPC requirements. The Contract Design will also be assessed to determine the Mission Effectiveness.

**Factor 3 – Detail Design and Construction Approach:** The soundness of the Offeror’s approach will be assessed. The Offeror’s proposal will be assessed to determine the extent to which the Detail Design approach supports maturing the Contract Design into a Detail Design that meets or exceeds OPC requirements. The Offeror’s proposal will also be assessed to determine the extent to which the Production Engineering and Construction approach supports transitioning the Detail Design into Construction. The Offeror’s proposal will further be assessed to determine the extent to which the C4ISR and Machinery Control System development approach will produce systems and subsystems which meet or exceed OPC requirements. The Offeror’s proposal will be assessed to determine the extent to which the approach to construction, testing and trials supports delivery of an OPC which meets or exceeds the OPC requirements.

#### M.5 MANAGEMENT EVALUATION

a. The Management Evaluation will identify strengths, weaknesses, significant weaknesses and deficiencies. Each factor will be evaluated for risk. The risk rating will reflect the Government’s confidence in the offeror’s ability to successfully perform the management effort described in its proposal.

**Factor 4 - Production Capability:** The evaluation will assess the extent of the Offeror’s proposed production capabilities and plan maturity to develop production capabilities to construct OPCs from contract award through delivery of OPC nine.

**Factor 5 - Organizational Management:** The evaluation will assess how well the Offeror’s organizational management approach, processes, and extent of personnel experience will be capable of designing, developing, and constructing an OPC from contract award through delivery of OPC nine.

**Factor 6 - Cost Management:** The evaluation will assess how well the Offeror’s cost management approach and processes used in Phase 1 Design and planned in Phase 2 design and construction will effectively manage and control cost growth and minimize rework and achieve the Affordability Target Price for OPCs four through nine.

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## **M.6 PRICE EVALUATION**

a. Price proposals will not be scored or rated. They will be evaluated for Affordability, completeness, price reasonableness, cost realism, and Total Evaluated Price.

(1) Affordability - The Offeror proposed pricing for Hulls 4-9, inclusive, shall be evaluated to determine whether it meets the affordability target established in Section C. The Government reserves the right to reject any proposal which proposes a price that exceeds the Affordability Target specified in Section C.

(2) Completeness is an accurate reflection, within the price proposal, of all aspects of the technical proposal and demonstrates compliance with the price proposal instructions in Section L. Failure to address significant portions of the technical proposal in the price proposal may constitute an incomplete price submission that could result in a rejection of the proposal.

(3) Cost realism means that the costs in an offeror's proposal are realistic for the work to be performed; reflect a clear understanding of the requirements; and are consistent with the various elements of an offeror's technical proposal. The Government reserves the right to impute adjustments (either increases or decreases) to an offeror's proposed amounts for all Fixed Price Incentive CLINs and for all Cost Plus CLINs if it determines that the proposed amounts are not the most probable, final costs that the Government would be likely to incur if an offeror is awarded the contract.

(4) The Government will evaluate the price reasonableness of all fixed price CLINs in accordance with Federal Acquisition Regulation (FAR) 15.404-1(b).

(5) Total Evaluated Price: The Total Evaluated Price will be determined by adjusting the offeror's Total Offered Price to reflect any additions or reductions in cost elements to realistic levels based on the results of the cost realism analysis. The Government will also validate the Total Offered Price.

b. Evaluation of options will not obligate the Government to exercise the options.

## **M.7 EVALUATION OF OFFERS SUBJECT TO AN ECONOMIC PRICE ADJUSTMENT CLAUSE ((HSAR) 48 CFR 3052.216-70) (JUN 2006)**

a. Offers shall be evaluated without an amount for an economic price adjustment being added. Offers will be rejected which: (1) increase the ceiling stipulated; (2) limit the downward adjustment; or (3) delete the economic price adjustment clause. If the offer stipulates a ceiling lower than that included in the solicitation, the lower ceiling will be incorporated into any resulting contract.